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UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

Periodic Reporting (Proposal Three)

Docket No. RM2021-6

CHAIRMAN'S INFORMATION REQUEST NO. 1

(Issued April 28, 2021)

To clarify the Postal Service's petition to consider proposed changes in analytical principles, filed April 8, 2021, the Postal Service is requested to provide written responses to the following questions.¹ Answers to each question should be provided as soon as they are developed, but no later than May 5, 2021.

- Please refer to Library Reference USPS-FY20-3, December 29, 2020, Excel file "FY20.3 WorksharingTables.xlsx," tab "Flats & Parcels Dropship," cells N30:N36.
 Please explain why the avoided costs are the same for Carrier Route basic flats² and Carrier Route flats on 5-Digit pallets at every dropship level.
- Please explain whether Carrier Route flats on 5-Digit pallets can potentially bypass some dropship-related operations that are not bypassed by Carrier Route basic flats.
- 3. Please refer to Library Reference USPS-FY20-3, Excel file "FY20.3 WorksharingTables.xlsx," tab "Flats & Parcels Dropship," cells P30:Q36. Please confirm that the piece-rated per piece and pound-rated per pound discounts are the same for Carrier Route basic flats and Carrier Route flats on 5-Digit pallets at every dropship level.

¹ Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Three), April 8, 2021 (Petition).

² Carrier Route flats on 5-Digit pallets contain only Carrier Route or finer presorted bundles whereas Carrier Route basic flats may contain other bundles. Petition at 2.

- 4. Please provide an illustrative alternative scenario version of Excel file "FY20.3 WorksharingTables.xlsx" showing different discounts for every dropship level for Carrier Route flats on 5-Digit pallets and Carrier Route basic flats.
- 5. Please explain why it is necessary to offer prices for Carrier Route flats on 5-Digit pallets if there are no additional costs avoided by preparing the 5-Digit pallets.

By the Chairman.

Michael Kubayanda